

## Statutory report on corporate governance, cf. section 107 b of the Danish Financial Statements Act.

The report constitutes a part of the management commentary on the annual report concerning the financial year: 1 April 2021 – 31 March 2022 for Matas A/S [the company].

The company is subject to the Recommendations on Corporate Governance, which are available at the website of the Committee on Corporate Governance, [www.corporategovernance.dk](http://www.corporategovernance.dk)

### Danish Recommendations on Corporate Governance

Recommendation	The company <u>complies</u>	The company <u>explains</u> <sup>1</sup>	
		<i>why</i>	<i>how</i>
<b>1. Interaction with the company's shareholders, investors and other stakeholders</b>			
<b>1.1. Communication with the company's shareholders, investors and other stakeholders</b>			
<b>1.1.1. The Committee recommends</b> that the management through ongoing dialogue and interaction ensures that shareholders, investors and other stakeholders gain the relevant insight into the company's affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.	YES		The company is committed to maintaining a constructive dialogue and a high level of transparency when communicating with its shareholders and other stakeholders.  The company has adopted policies for Communications and Stakeholders, Investor Relations, Diversity, Data Ethics, Tax, Remuneration and

<sup>1</sup> If the company does not comply with a recommendation, the company must specifically explain; *why* the company has decided not to comply with the recommendation, and *which* approach the company has chosen instead. A comprehensive explanation answers both questions and is considered as compliant. Thus, it is important that the company answers both questions in its explanation.

Recommendation	The company <u>complies</u>		The company <u>explains</u> <sup>1</sup>
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			Corporate Social Responsibility. In addition to the policies for Investor Relations and Communications and Stakeholders, the board of directors has approved a set of Internal Rules aimed to ensure that the disclosure of information complies with the applicable stock exchange regulations. All company announcements are published via NASDAQ OMX Copenhagen and can subsequently be accessed from the company's website, www.matas.dk. All announcements are published in Danish and English.
<b>1.1.2. The Committee recommends</b> that the company adopts policies on the company's relationships with its shareholders, investors and if relevant other stakeholders in order to ensure that the various interests are included in the company's considerations and that such policies are made available on the company's website.	YES		<p>The company has adopted policies for Communications and Stakeholders, Investor Relations, Diversity, Data Ethics, Tax, Remuneration and Corporate Social Responsibility. The board of directors ensures that stakeholders' interests and roles are respected in accordance with these policies in order to secure added value for all stakeholders in both the short and long term.</p> <p>The company focuses on corporate social responsibility and constantly seeks to create business value while ensuring proper working conditions for its employees and conducting its business in a lawful manner.</p>
<b>1.1.3. The Committee recommends</b> that the company publishes quarterly reports.	YES		The company publishes quarterly and annual reports. Investor presentations and telephone conferences are held following the publication of each interim and annual report to provide participants with the opportunity to ask questions to the company's executive management. Webcasts of such

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			presentations by the executive management will subsequently be available on the company's website, www.matas.dk. Investors may also contact the company's Investor Relations department to obtain additional information.
<b>1.2. The general meeting</b>			
<b>1.2.1. The Committee recommends</b> that the board of directors organises the company's general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represented by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensures that shareholders can observe the general meeting via webcast or other digital transmission.	YES		<p>The board of directors promotes active ownership and attendance at general meetings by, among other things, striving to ensure that the general meeting is planned in a manner that encourages active ownership by the shareholders.</p> <p>All shareholders are entitled to have specific business considered at the annual general meeting, provided that a written request to that effect is submitted to the board of directors no later than six weeks prior to the general meeting. At general meetings, the attending shareholders can ask questions to the board of directors and the executive management concerning the items on the agenda. Shareholders can postal vote prior to the general meeting.</p> <p>The general meetings have since 2020 also been transmitted via webcast/livestreaming and this will continue going forward.</p>
<b>1.2.2. The Committee recommends</b> that proxies and postal votes to be used at the general meeting enable the shareholders to consider each individual item on the agenda.	YES		Shareholders can consider each individual item on the agenda through proxies or votes by post.

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<b>1.3. Takeover bids</b>			
<b>1.3.1. The Committee recommends</b> that the company has a procedure in place in the event of takeover bids, containing a “road map” covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. In addition, it is recommended that it appears from the procedure that the board of directors abstains from countering any takeover bids by taking actions that seek to prevent the shareholders from deciding on the takeover bid, without the approval of the general meeting.	YES		The company has adopted a Takeover Manual describing the company’s procedures in the event of takeover bids. According to these procedures the board of directors in case it obtains knowledge that a takeover bid will be submitted or is likely to be submitted will not make decisions or initiate defence measures without the prior approval of the general meeting.
<b>1.4. Corporate Social Responsibility</b>			
<b>1.4.1. The Committee recommends</b> that the board of directors adopts a policy for the company’s corporate social responsibility, including social responsibility and sustainability, and that the policy is available in the management commentary and/or on the company’s website. The Committee recommends that the board of directors ensures compliance with the policy.	YES		The company has adopted a corporate social responsibility policy which defines three main priorities which constitute the core of the company’s CSR strategy. These main priorities are: Sustainability, Health and Diversity. The CSR work done by the company is reviewed by the board of directors on a regular basis, and the CSR policy is available on the company’s website on <a href="http://www.matas.dk">www.matas.dk</a> .
<b>1.4.2. The Committee recommends</b> that the board of directors adopts a tax policy to be made available on the company’s website.	YES		The company has adopted a Tax Policy which is reviewed by the board of directors on a regular basis. The Tax Policy is available on the company’s website on <a href="http://www.matas.dk">www.matas.dk</a> .
<b>2. The duties and responsibilities of the board of directors</b>			
<b>2.1. Overall tasks and responsibilities</b>			

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<p><b>2.1.1. The Committee recommends</b> that the board of directors in support of the company's statutory objects according to its articles of association and the long-term value creation considers the company's purpose and ensures and promotes a good culture and sound values in the company. The company should provide an account thereof in the management commentary and/or on the company's website.</p>	YES		<p>In accordance with its rules of procedure, the board of directors is obliged to ensure that compliance with the company's overall purpose is always part of the company's strategy. At the same time, the board of directors must ensure that the company has the necessary competencies and financial resources available to be able to fulfill the strategy adopted at any given time, including the company's overall purpose. The company's work with the overall purpose is accounted for in the management commentary, which is available on the company's website at <a href="http://www.matas.dk">www.matas.dk</a>.</p>
<p><b>2.1.2. The Committee recommends</b> that the board of directors at least once a year discusses and on a regular basis follows up on the company's overall strategic targets in order to ensure the value creation in the company.</p>	YES		<p>Once a year, a board strategy seminar is held where the overall strategic targets of the company with a view to ensuring value creation in the company is discussed.</p>
<p><b>2.1.3. The Committee recommends</b> that the board of directors on a continuously basis takes steps to examine whether the company's share and capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The Committee recommends that the company gives an account thereof in the management commentary.</p>	YES		<p>Once a year, the board of directors assesses whether the share capital and the share capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The board of directors includes any assessment in the annual report. The company has one single class of shares and all shares rank pari passu.</p>
<p><b>2.1.4. The Committee recommends</b> that the board of directors prepares and on an annual basis reviews guidelines for the executive</p>	YES		<p>The board of directors has issued rules of procedure for the executive management applicable to the overall duties, obligations and liabilities of the executive management, including specific authorisations within</p>

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management, including requirements in respect of the reporting to the board of directors.			<p>which the executive management may transact business. The rules of procedures and authorisations are subject to annual evaluation, update and approval by the board of directors.</p> <p>The rules of procedure for the executive management include requirements for the executive management's reporting to the board of directors.</p>
<b>2.2. Members of the board of directors</b>			
<b>2.2.1. The Committee recommends</b> that the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent and who can generally act as the chairperson's close sparring partner.	YES		Immediately after the annual general meeting, a board meeting is held for the purpose of electing a chairperson and a vice chairperson. The role of the vice chairperson is in accordance with the recommendation.
<b>2.2.2. The Committee recommends</b> that the chairperson in cooperation with the individual members of the board of directors ensures that the members up-date and supplement their knowledge of relevant matters, and that the members' special knowledge and qualifications are applied in the best possible manner.	YES		The chairperson holds regular interviews with the members of the board of directors on their performance in the board. This is done to ensure that the members up-date and supplement their knowledge of relevant matters and that the members' special knowledge and qualifications are applied in the best possible manner.
<b>2.2.3. The Committee recommends</b> that if the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors	YES		The chairperson of the board of directors or other board members may not assume special tasks for the company or participate in the day-to-day management, unless and as an exception there is a special need therefor, in which case such assignment or managerial

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maintains its independent overall management and control function. It is recommended that the company publishes any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.			involvement is subject to prior approval of the board of directors and must be confined to a limited period of time. Such resolution will be publicly announced.
<b>3. The composition, organisation and evaluation of the board of directors</b>			
<b>3.1. Composition</b>			
<p><b>3.1.1. The Committee recommends</b> that the board of directors on an annual basis reviews and in the management commentary and/or on the company's website states</p> <ul style="list-style-type: none"> <li>• which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner, and</li> <li>• the composition of and diversity on the board of directors.</li> </ul>	YES		<p>Based on input from the nomination committee, the board of directors annually reviews the qualifications, experience and competencies required of board candidates for the board of directors to best perform its tasks, considering the company's needs and the current composition of the board of directors. Nomination of candidates to be submitted to the annual general meeting shall be prepared in light hereof.</p> <p>A description of the composition of the board of directors, including diversity and special skills necessary, is included in the annual report.</p>
<p><b>3.1.2. The Committee recommends</b> that the board of directors on an annual basis discusses the company's activities in order to ensure relevant diversity at the different management levels of the company and adopts a diversity policy, which is included in the management commentary and/or available on the company's website.</p>	YES		<p>Based on input from the nomination committee, the board of directors once a year discuss the company's activities to ensure relevant diversity at the different management levels. The board of directors has prepared a Diversity Policy that has been published on the company's website.</p>

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<p><b>3.1.3. The committee recommends</b> that candidates for the board of directors are recruited based on a thorough process approved by the board of directors. The Committee recommends that in assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.</p>	YES		Nomination of candidates to be submitted to the annual general meeting are prepared considering the competences specified. Each nomination is always accompanied by detailed explanations and background information concerning the person in question. In addition, the board of directors take into consideration the need for competencies, qualifications, continuity, renewal and diversity when evaluating its composition and the objectives laid down in the company's Diversity Policy.
<p><b>3.1.4. The Committee recommends</b> that the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory items - also includes a description of the proposed candidates'</p> <ul style="list-style-type: none"> <li>• qualifications,</li> <li>• other managerial duties in commercial undertakings, including board committees,</li> <li>• demanding organisational assignments and</li> <li>• independence.</li> </ul>	YES		A description of the nominated candidates' qualifications, including information about other managerial duties in commercial undertakings, including board committees, demanding organisational assignments and independence, is included in the notice convening the annual general meeting.
<p><b>3.1.5. The Committee recommends</b> that members to the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually.</p>	YES		All members of the board of directors are individually nominated and elected by the annual general meeting and stand for election each year at the annual general meeting.
<b>3.2. The board of director's independence</b>			



## Recommendation

The company complies

The company explains<sup>1</sup>

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**3.2.1. The Committee recommends** that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act independently avoiding conflicts of interests.

In order to be independent, the member in question may not:

- be or within the past five years have been a member of the executive management or an executive employee in the company, a subsidiary or a group company,
- within the past five years have received large emoluments from the company/group, a subsidiary or a group company in another capacity than as member of the board of directors,
- represent or be associated with a controlling shareholder,
- within the past year have had a business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship,
- be or within the past three years have been employed with or a partner in the same company as the company’s auditor elected in general meeting,
- be a CEO in a company with cross-memberships in the company’s management,
- have been a member of the board of directors for more than twelve years, or
- be closely related to persons, who are not independent, cf. the above-stated criteria.

YES

More than half of the shareholder-elected board members are deemed independent according to the definitions outlined in the recommendations. The independence of each member is evaluated on a regular basis and as a minimum yearly.

Recommendation	The company <u>complies</u>		The company <u>explains</u> <sup>1</sup>
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Even if a member of the board of directors does not fall within the above-stated criteria, the board of directors may for other reasons decide that the member in question is not independent.			
<b>3.2.2. The Committee recommends</b> that members of the executive management are not members of the board of directors and that members retiring from the executive management does not join the board of directors immediately thereafter.	YES		The recommendation is complied with.
<b>3.3. Members of the board of directors and the number of other managerial duties</b>			
<b>3.3.1. The Committee recommends</b> that the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendation 3.5.1., assesses how much time is required to perform the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.	YES		All members of the Board of Directors regularly assess their expected time commitment and do not consider that they hold more positions than they can manage satisfactorily for the company.
<b>3.3.2. The Committee recommends</b> that the management commentary, in addition to the statutory requirements, contains the following information on the individual members of the board of directors: <ul style="list-style-type: none"> <li>• position, age and gender,</li> <li>• competencies and qualifications relevant to the company,</li> <li>• independence,</li> <li>• year of joining the board of directors,</li> <li>• year of expiry of the current election period,</li> <li>• participation in meetings of the board of directors and committee meetings,</li> </ul>	YES		The management report in the annual report of the company contains all information recommended.

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<ul style="list-style-type: none"> <li>managerial duties in other commercial undertakings, including board committees, and demanding organisational assignments, and</li> <li>the number of shares, options, warrants, etc. that the member holds in the company and its group companies and any changes in such holdings during the financial year.</li> </ul>			
<b>3.4. Board committees</b>			
<p><b>3.4.1. The Committee recommends</b> that the management describes in the management commentary:</p> <ul style="list-style-type: none"> <li>the board committees' most significant activities and number of meetings in the past year, and</li> <li>the members on the individual board committees, including the chairperson and the independence of the members of the committee in question.</li> </ul> <p>In addition, it is recommended that the board committees' terms of reference are published on the company's website.</p>	YES		The board of directors has set up an audit committee, a remuneration committee and a nomination committee. The members of each committee, including names, titles, independence and relevant qualifications, is disclosed on the company's website. A description of important activities of the committees during the year as well as the number of meetings is included in the company's management commentary (annual report).
<p><b>3.4.2. The Committee recommends</b> that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.</p>	YES		All members of the audit committee, remuneration committee and nomination committee are members of the board of directors and the majority members are independent.
<p><b>3.4.3. The Committee recommends</b> that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee recommends that the audit committee, in addition to its statutory duties, assists the board of directors in:</p>	YES		<p>The chairperson of the audit committee is not chairperson of the board of directors.</p> <p>The audit committee reports to the board of directors in connection with the annual report. In addition, the committee reports any changes in the accounting</p>

# Recommendation

## The company complies

## The company explains<sup>1</sup>

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*how*

- supervising the correctness of the published financial information, including accounting practices in significant areas, significant accounting estimates and related party transactions,
- reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial outlook,
- assessing the need for internal audit,
- performing the evaluation of the auditor elected by the general meeting,
- reviewing the auditor fee for the auditor elected by the general meeting,
- supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and
- ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors and the audit committee at least once a year meet with the auditor without the executive management being present.

If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must:

- prepare terms of reference and recommendations on the nomination, employment and dismissal of the head of the internal audit function and on the budget for the department,
- ensure that the internal audit function has sufficient resources and competencies to perform its role, and
- supervise the executive management’s follow-up on the conclusions and recommendations of the internal audit function.

policies or accounting estimates or any related-party transactions that took place during the financial year. It also keeps the board of directors informed about uncertainties and risks.

In accordance with its charter, the audit committee annually considers whether there is a need for an internal audit function. Based on the recommendations of the committee, the board of directors then decides whether the internal control systems are adequate and whether there is a need for an internal control function. So far, the board’s assessment – based on the size and complexity of the company – has been that there is no need to establish an internal audit function.

In accordance with its charter, the audit committee performs the evaluation of the auditor elected by the general meeting, reviews the auditor fee for the auditor elected by the general meeting, supervises the scope of the non-audit services performed by the auditor elected by the general meeting, and ensures regular interaction between the auditor elected by the general meeting and the board of directors. Hereafter, the board of directors and the audit committee at least once a year meet with the auditor without the executive management being present.

**Recommendation**

**The company complies**

**The company explains<sup>1</sup>**

*why*

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**3.4.4. The Committee recommends** that the board of directors establishes a nomination committee to perform at least the following preparatory tasks:

- describing the required qualifications for a given member of the board of directors and the executive management, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies,
- on an annual basis evaluating the board of directors and the executive management’s structure, size, composition and results and preparing recommendations for the board of directors for any changes,
- in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual management members’ competencies, knowledge, experience and succession as well as reporting on it to the board of directors,
- handling the recruitment of new members to the board of directors and the executive management and nominating candidates for the board of directors' approval,
- ensuring that a succession plan for the executive management is in place,
- supervising executive managements’ policy for the engagement of executive employees, and
- supervising the preparation of a diversity policy for the board of directors’ approval.

YES

The board of directors has set up a nomination committee, whose charter complies with the recommendation. Each year the charter is evaluated by the board of directors to secure that the work in the committee corresponds to the duties set up in the charter and the recommendations of the Committee on Corporate Governance.

## Recommendation

The company complies

The company explains<sup>1</sup>

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**3.4.5. The Committee recommends** that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks:

- preparing a draft remuneration policy for the board of directors' approval prior to the presentation at the general meeting,
- providing a proposal to the board of directors on the remuneration of the members of the executive management,
- providing a proposal to the board of directors on the remuneration of the board of directors prior to the presentation at the general meeting,
- ensuring that the management's actual remuneration complies with the company's remuneration policy and the evaluation of the individual member's performance, and
- assisting in the preparation of the annual remuneration report for the board of directors' approval prior to the presentation for the general meeting's advisory vote.

YES

The board of directors has set up a remuneration committee, whose charter complies with the recommendation. Each year the charter is evaluated by the board of directors to secure that the work in the committee corresponds to the duties set up in the charter and the recommendations of the Committee on Corporate Governance.

## 3.5. Evaluation of the board of directors and the executive management

**3.5.1. The Committee recommends** that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation focuses on the recommendations on the board of directors' work, efficiency, composition and organisation, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics:

- the composition of the board of directors with focus on competencies and diversity

YES

The board of directors undertake an annual evaluation of the performance and achievements of the board of directors and its individual members. As a minimum, this evaluation includes the topics recommended in recommendation 3.5.1. External assistance is obtained at least every third year.

The chairperson of the board of directors oversees the evaluation.

Recommendation	The company <u>complies</u>		The company <u>explains</u> <sup>1</sup>
		<i>why</i>	<i>how</i>
<ul style="list-style-type: none"> <li>the board of directors and the individual member’s contribution and results,</li> <li>the cooperation on the board of directors and between the board of directors and the executive management,</li> <li>the chairperson’s leadership of the board of directors,</li> <li>the committee structure and the work in the committees,</li> <li>the organisation of the work of the board of directors and the quality of the material provided to the board of directors, and</li> <li>the board members’ preparation for and active participation in the meetings of the board of directors.</li> </ul>			
<p><b>3.5.2. The Committee recommends</b> that the entire board of directors discusses the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company’s website and at the company’s general meeting.</p>	YES		The chairperson provides an account of the evaluation of the board of directors, including the process and general conclusions, which are discussed in the board and described in the management commentary, on the company’s website and at the company’s general meeting.
<p><b>3.5.3. The Committee recommends</b> that the board of directors at least once a year evaluates the work and results of the executive management according to pre-established criteria, and that the chairperson reviews the evaluation together with the executive management. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of the executive management, including in respect of diversity, succession planning and risks, in light of the company’s strategy.</p>	YES		The board of directors undertakes regular informal evaluations of the performance of each member of the executive management and an annual formal evaluation based on pre-defined KPIs. In addition, the board of directors evaluates the need for changes to the structure and composition of the executive management, including in respect of diversity, succession planning and risks, considering the company’s strategy.
<h2>4. Remuneration of management</h2> <h3>4.1. Remuneration of the board of directors and the executive management</h3>			

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		<i>why</i>	<i>how</i>
<b>4.1.1. The Committee recommends</b> that the remuneration for the board of directors and the executive management and the other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests.	YES		The board of directors have adopted a remuneration policy for the board of directors and the executive management which includes that remuneration and other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests. The remuneration policy was approved by the shareholders at the general meeting in 2021 and is available at the company's website, <a href="http://www.matas.dk">www.matas.dk</a> .
<b>4.1.2. The Committee recommends</b> that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they primarily consist of long-term schemes with a vesting or maturity period of at least three years.	YES		The company's remuneration policy complies with this recommendation. The remuneration policy can be found at the company's website, <a href="http://www.matas.dk">www.matas.dk</a> .
<b>4.1.3. The Committee recommends</b> that the variable part of the remuneration has a cap at the time of grant, and that there is transparency in respect of the potential value at the time of exercise under pessimistic, expected and optimistic scenarios.	YES		The company's remuneration policy complies with this recommendation. The remuneration policy can be found at the company's website, <a href="http://www.matas.dk">www.matas.dk</a> .
<b>4.1.4. The Committee recommends</b> that the overall value of the remuneration for the notice period, including severance payment, in connection with a member of the executive management's departure, does not exceed two years' remuneration including all remuneration elements.	YES		The company's remuneration policy complies with this recommendation. The remuneration policy can be found at the company's website, <a href="http://www.matas.dk">www.matas.dk</a> .
<b>4.1.5. The Committee recommends</b> that members of the board of directors are not remunerated with share options and warrants.	YES		The company's remuneration policy complies with this recommendation. The remuneration policy can be found at the company's website, <a href="http://www.matas.dk">www.matas.dk</a> .



Recommendation	The company <u>complies</u>		The company <u>explains</u> <sup>1</sup>
		<i>why</i>	<i>how</i>
<p><b>4.1.6. The Committee recommends</b> that the company has the option to reclaim, in whole or in part, variable remuneration from the board of directors and the executive management if the remuneration granted, earned or paid was based on information, which subsequently proves to be incorrect, or if the recipient acted in bad faith in respect of other matters, which implied payment of a too large variable remuneration.</p>	YES		The company's remuneration policy complies with this recommendation. The remuneration policy can be found at the company's website, <a href="http://www.matas.dk">www.matas.dk</a> .
<p><b>5. Risk management</b></p>			
<p><b>5.1. Identification of risks and openness in respect of additional information</b></p>			
<p><b>5.1.1. The Committee recommends</b> that the board of directors based on the company's strategy and business model considers, for instance, the most significant strategic, business, accounting and liquidity risks. The company should in the management commentary give an account of these risks and the company's risk management.</p>	YES		<p>The company's annual report includes information about the company's management of business risks.</p> <p>In connection with the preparation of the annual report, the most important business and financial risks are identified in connection with the realization of the company's strategy and overall goals as well as the risks associated with financial reporting.</p>
<p><b>5.1.2. The Committee recommends</b> that the board of directors establishes a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases.</p>	YES		The company has established a whistleblower scheme for the company, which is accessible on <a href="http://www.matas.dk">www.matas.dk</a> .